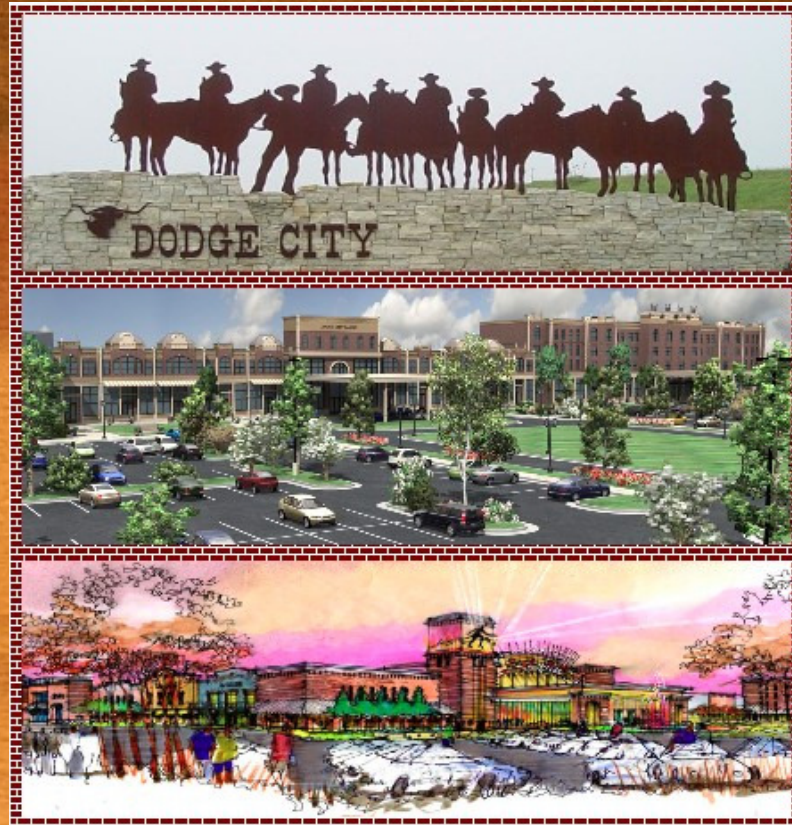


Task 4 - Project Specific Gaming Revenue Projections

Southwest Gaming Zone - Ford County, Kansas



Prepared For:
Kansas Lottery Gaming Facility Review Board
September 2-3, 2008

Wells Gaming Research

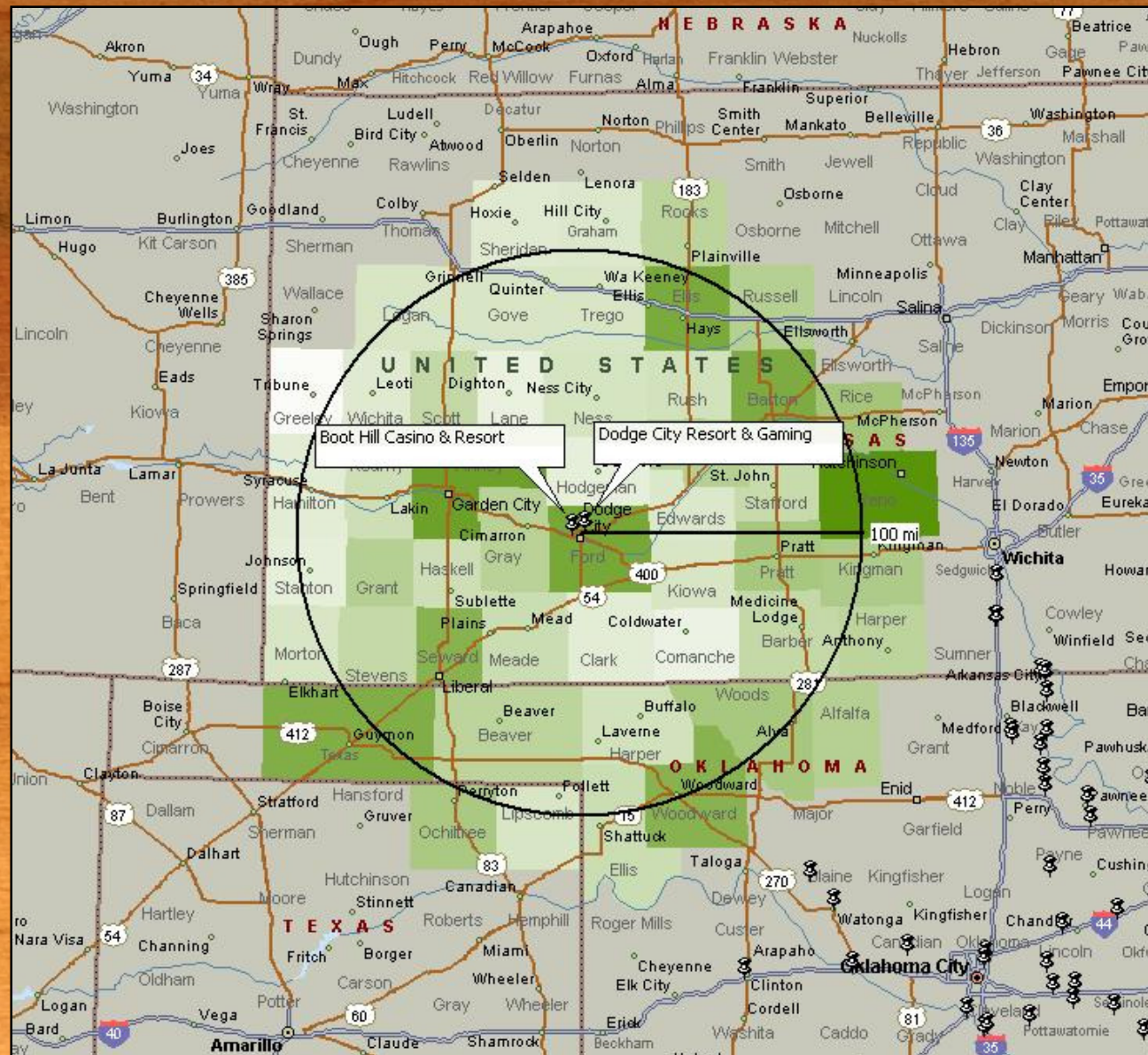
Methodology

- Used WGR's proprietary gravity model
- Defined trade area to include all counties that a 100-mile radius of Ford County encompasses or touches
- Used 2007 data as status quo for baseline projections
- Population data at census tract level 2000 through 2012

Methodology

- Utilized Boot Hill's and Dodge City's size, scope, and location assumptions for the proposed Ford County casino
- Developed a custom gravity model for Boot Hill and Dodge City proposed casino projects
- Defined and ran 2 scenarios with low, mid, and high cases for each site

Ford County Map



9/2-3/08

Wells Gaming Research

3

SW Kansas - Ford

- Trade area (approximate 125-mile radius) includes 51 counties in Kansas, 7 counties in northwestern Oklahoma, and 2 counties in northern Texas
- This trade area overlaps with the South Central Kansas gaming zone

SW Kansas - Ford

- The trade area population is 504,936; of which 343,002 are adults
- Of the adult population, only 60,767 (17.7%) live in Ford County and the surrounding seven counties

Visits to Competing Casinos

- Visited existing casinos within the trade area and made the following changes in assumptions:

Reduced Attraction Factors:

1 Kaw Southwind Casino	-50%
2 Tonkawa Casino	-20%

Removed Proposed Casinos:

- 1 Pawnee Nation Pawnee Planned
- 2 Ponca Fancy Dance Casino

- Limited competition to 200 miles
- These changes resulted in additional \$25M to \$27M in revenues, depending on applicant

Casinos Competing in the Trade Area

- Existing Casinos:
 - 11 casinos with 4,806 slots, 39 pit tables, and 25 poker tables within an approximate 200 mile radius
- Proposed New Casinos:
 - 4 casinos with 3,887 slots, 73 pit tables, and 13 poker tables (including Boot Hill Casino & Resort)
 - 4 casinos with 3,812 slots, 78 pit tables, and 8 poker tables (including Dodge City Casino & Resort)

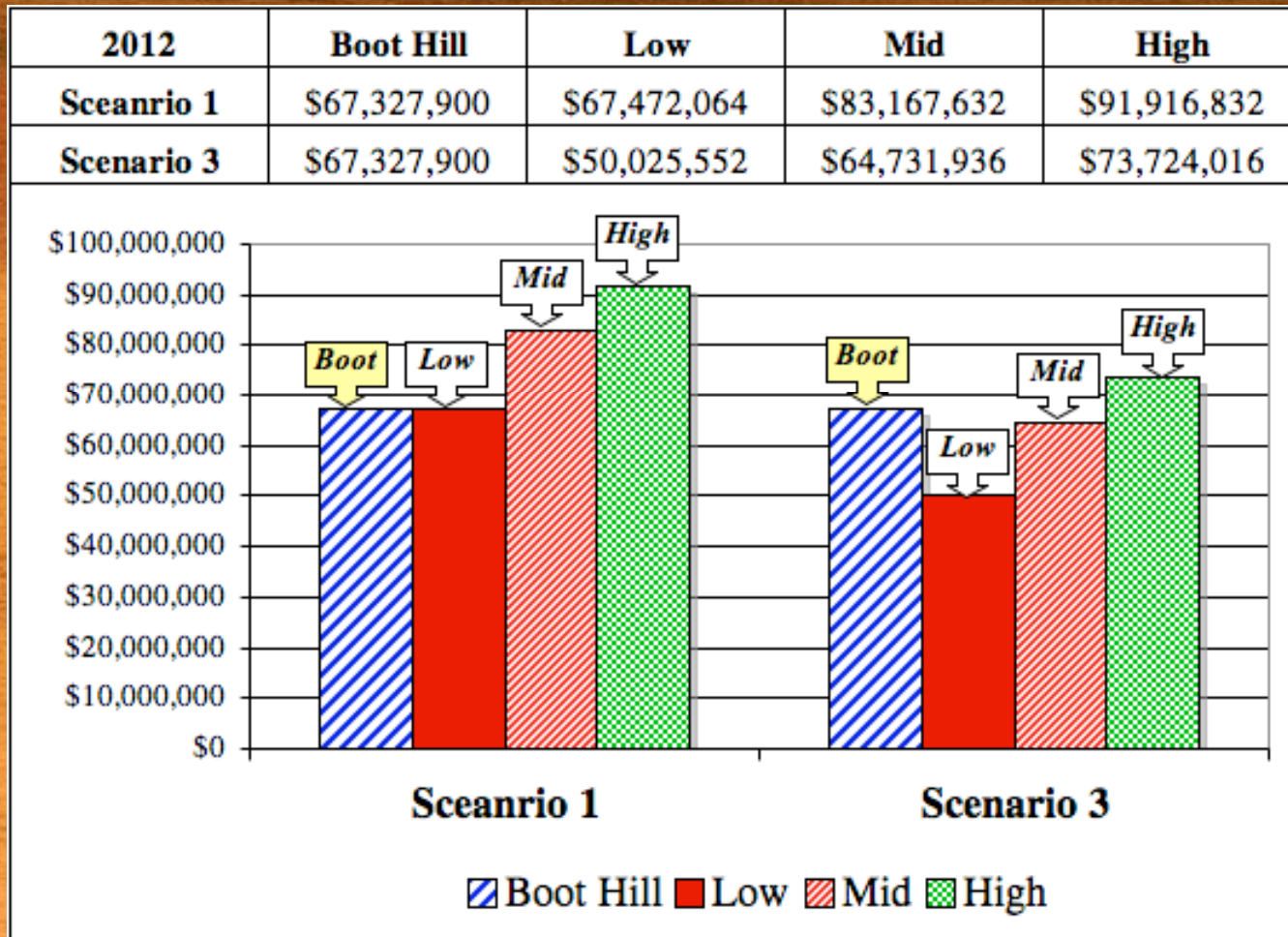
Visitor Projections

Visitor Projections of Each Applicant & WGR's Projections of Each Applicant WGR's Projections are based on Task 4, Scenario 3								
Applicant's Projections	2010	2011	2012	2013	2014	2015	CAGR	Periods
Boot Hill Casino & Resort	767,900	894,900	1,207,000	1,227,900	1,227,900		11.1%	3
Dodge City Resort & Gaming	660,196	708,615	723,919	739,499	755,359	771,504	2.1%	4
WGR's Projections*	2010	2011	2012				CAGR	Periods
Boot Hill Casino & Resort								
Low	678,195	680,223	682,311				0.30%	2
Mid	858,472	860,547	862,700				0.25%	2
High	968,062	970,090	972,207				0.21%	2
Dodge City Resort & Gaming								
Low	651,770	653,571	655,428				0.28%	2
Mid	834,223	836,058	837,966				0.22%	2
High	946,394	948,178	950,046				0.19%	2

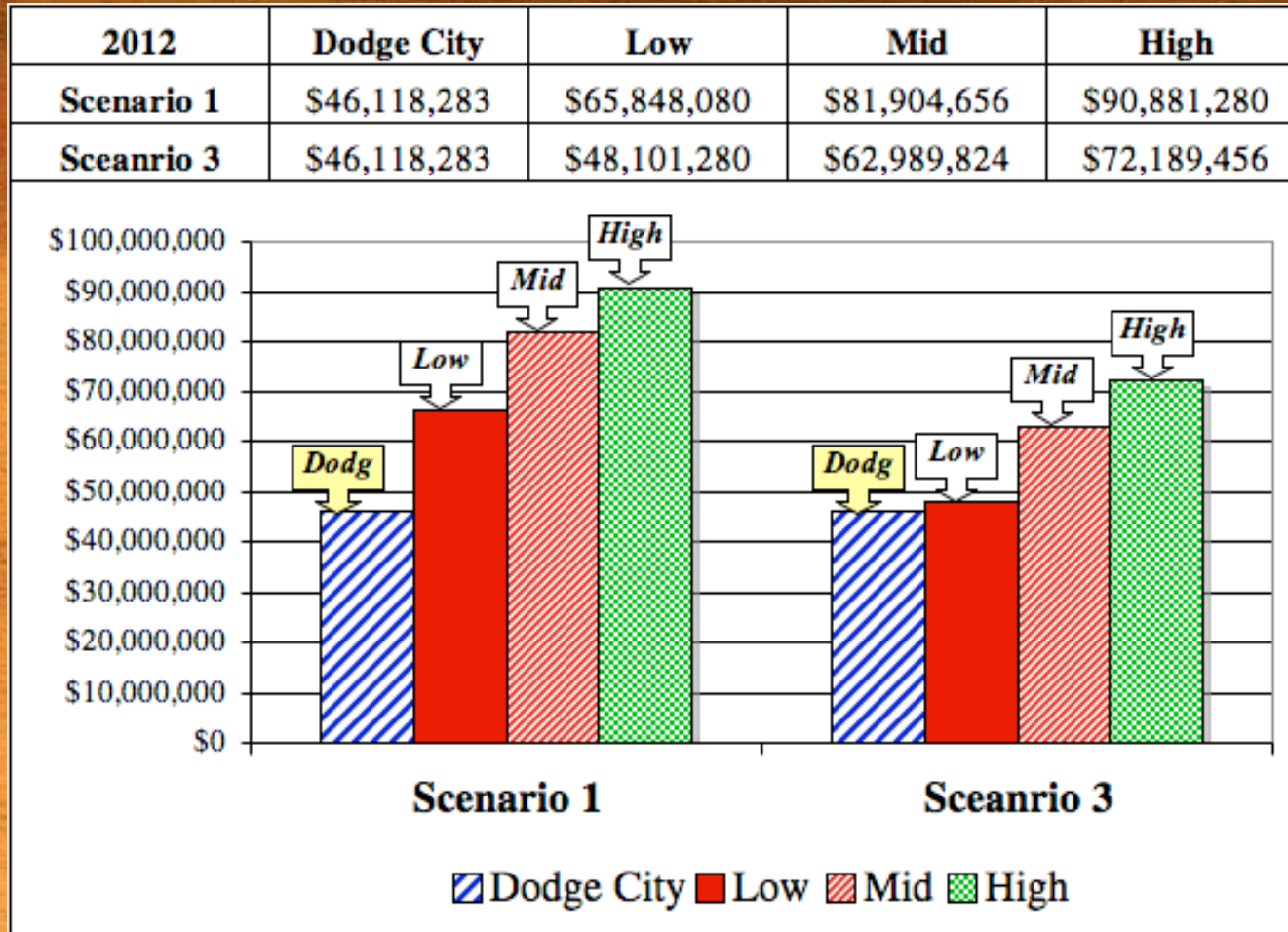
Revenue Projections

Revenue Projections of Each Applicant & WGR's Projections of Each Applicant WGR's Projections are based on Task 4, Scenario 3 data adjusted for inflation								
Applicant's Projections	2010	2011	2012	2013	2014	2015	CAGR	Periods
Boot Hill Casino & Resort	\$40,582,000	\$48,827,000	\$67,666,000	\$70,895,000	\$72,478,000		14.1%	3
Dodge City Resort & Gaming	\$34,981,000	\$44,559,000	\$46,118,000	\$47,732,000	\$48,926,000	\$50,149,000	3.0%	4
WGR's Projections w/ Inflation	2010	2011	2012				CAGR	Periods
Boot Hill Casino & Resort								
Low	\$49,747,344	\$49,884,240	\$50,025,552				0.28%	2
Mid	\$64,442,688	\$64,584,000	\$64,731,936				0.22%	2
High	\$73,438,080	\$73,577,184	\$73,724,016				0.19%	2
Dodge City Resort & Gaming								
Low	\$47,853,984	\$47,975,424	\$48,101,280				0.26%	2
Mid	\$62,731,488	\$62,857,344	\$62,989,824				0.21%	2
High	\$71,935,536	\$72,059,184	\$72,189,456				0.18%	2

Boot Hill Casino & Resort



Dodge City Casino & Resort



Attraction/Mass Factor Comparison

WGR Attraction Factor Comparison where Boot Hill Casino & Resort Mid is 100%				
Scenario 3	Low	Mid	High	Tuned
Boot Hill Casino & Resort	50%	100%	150%	112%
Dodge City Resort & Gaming	47%	94%	141%	43%
WGR Revenue Projections for 2012 w/ Inflation				
Scenario 3	Low	Mid	High	Tuned
Boot Hill Casino & Resort	\$50,025,552	\$64,731,936	\$73,724,016	\$67,217,040
Dodge City Resort & Gaming	\$48,101,280	\$62,989,824	\$72,189,456	\$46,189,152

Summary Income Statement

Summary Income Statement Accounts

As a Percent of Total Revenue

Boot Hill Resort & Dodge City Casino Resort 2011 v FY 2007 NV Gaming Abstract

	Gaming Revenue	Department Expenses	Adv & Prom	Interest Exp	G&A Payroll	Total G&A Exp	EBITDAR
Elko County Wendover 1M+ FY @ June 30,2007	73.0%	38.3%	4.6%	5.3%	9.9%	44.5%	25.8%
Statewide \$36M-\$72M w/ Hotel Rooms FY @ June 30, 2007	55.3%	47.5%	2.1%	3.6%	8.6%	33.7%	19.1%
Washoe County Reno/Sparks \$36M+ FY @ June 30, 2007	53.7%	50.7%	2.4%	3.9%	7.1%	32.0%	19.1%
Boot Hill Resort & Casino Butler Pro Forma for 2012	84.9%	47.1%	2.8%	6.6%	6.4%	42.2%	21.3%
Dodge City Casino Resort Pro Forma for 2012	80.3%	39.3%	4.1%	6.1%	0.0%	51.8%	21.5%

Source: WGR, NV Gmg Abst, & Applicants Data

Casino Department Income Statement

Casino Department Income Statement Account

As a Percent of Total Casino Revenue

Boot Hill Resort & Dodge City Casino Resort 2011 v FY 2007 NV Gaming Abstract

	Table Revenue	Comp Expense	Payroll	Tax & Lic	Dept Expense	Dept Profit
Elko County Wendover 1M+ FY @ June 30,2007	20.6%	13.4%	8.8%	8.3%	34.9%	65.1%
Statewide \$36M-\$72M w/ Hotel Rooms FY @ June 30, 2007	18.5%	12.5%	16.1%	8.2%	45.7%	54.3%
Washoe County Reno/Sparks \$36M+ FY @ June 30, 2007	22.9%	21.0%	16.6%	8.1%	55.5%	44.5%
Boot Hill Resort & Casino Butler Pro Forma for 2012	0.0%	1.3%	9.4%	27.0%	48.0%	52.0%
Dodge City Casino Resort Pro Forma for 2012	13.8%	5.3%	24.2%	3.4%	39.4%	60.6%

Source: WGR, NV Gmg Abst, & Applicants Data

Rooms Department Income Statement

Rooms Department Income Statement Account As a Percent of Total Room Revenue Boot Hill Resort & Dodge City Resort 2011 v FY 2007 NV Gaming Abstract				
	Rooms as % of Total Rev	Comp Room Sales	Payroll	Dept Profit- Loss
Elko County Wendover 1M+ FY @ June 30, 2007	6.7%	22.8%	51.6%	29.3%
Statewide \$36M-\$72M w/ Hotel Rooms FY @ June 30, 2007	15.6%	19.5%	33.1%	55.3%
Washoe County Reno/Sparks \$36M+ FY @ June 30, 2007	18.2%	20.4%	26.6%	62.1%
Boot Hill Resort & Casino Butler Pro Forma for 2012	4.7%	9.1%	29.5%	69.2%
Dodge City Casino Resort Pro Forma for 2012	7.7%	14.0%	28.6%	62.5%
Source: WGR, NV Gmg Abst, & Applicants Data				

Food Department Income Statement

Food Department Income Statement Account

As a Percent of Total Food Revenue

Boot Hill Resort & Dodge City Casino Resort 2011 v FY 2007 NV Gaming Abstract

	Food as % of Total Rev	Comp Food Sales	Cost of Goods	Payroll	Dept Profit- Loss
Elko County Wendover 1M+ FY @ June 30,2007	11.8%	48.0%	46.8%	38.9%	4.3%
Statewide \$36M-\$72M w/ Hotel Rooms FY @ June 30, 2007	12.6%	26.3%	43.3%	63.5%	-13.5%
Washoe County Reno/Sparks \$36M+ FY @ June 30, 2007	16.2%	27.9%	38.0%	51.3%	2.8%
Boot Hill Resort & Casino Butler Pro Forma for 2012	5.1%	7.4%	42.2%	66.3%	-8.4%
Dodge City Casino Resort Pro Forma for 2012	7.2%	0.0%	34.3%	32.9%	25.7%
Source: WGR, NV Gmg Abst, & Applicants Data					

Beverage Department Income Statement

Beverage Department Income Statement Account As a Percent of Total Beverage Revenue Boot Hill Resort & Dodge City Casino Resort 2011 v FY 2007 NV Gaming Abstract					
	Beverages as % of Total Rev	Comp Beverage Sales	Cost of Goods	Payroll	Dept Profit- Loss
Elko County Wendover 1M+ FY @ June 30,2007	4.3%	77.6%	36.8%	26.0%	33.0%
Statewide \$36M-\$72M w/ Hotel Rooms FY @ June 30, 2007	6.1%	50.4%	25.4%	33.0%	34.7%
Washoe County Reno/Sparks \$36M+ FY @ June 30, 2007	6.4%	56.9%	26.6%	25.1%	42.9%
Boot Hill Resort & Casino Butler Pro Forma for 2012	3.8%	8.6%	28.4%	33.2%	38.4%
Dodge City Casino Resort Pro Forma for 2012	2.6%	50.0%	23.7%	48.0%	26.5%
Source: WGR, NV Gmg Abst, & Applicants Data					

Other Department Income Statement

Other Department Income Statement Account

As a Percent of Total Other Revenue

Boot Hill Resort & Dodge City Casino Resort 2011 v FY 2007 NV Gaming Abstract

	Other as % of Total Rev	Comp Other Sales	Cost of Goods	Payroll	Dept Profit- Loss
Elko County Wendover 1M+ FY @ June 30,2007	4.2%	39.5%	29.2%	5.6%	47.4%
Statewide \$36M-\$72M w/ Hotel Rooms FY @ June 30, 2007	10.3%	9.0%	36.5%	17.8%	25.2%
Washoe County Reno/Sparks \$36M+ FY @ June 30, 2007	5.5%	12.2%	23.0%	24.1%	31.6%
Boot Hill Resort & Casino Butler Pro Forma for 2012	1.5%	0.0%	32.4%	17.3%	50.3%
Dodge City Casino Resort Pro Forma for 2012	2.1%	2.0%	55.0%	24.5%	18.2%
Source: WGR, NV Gmg Abst, & Applicants Data					

Richard H. Wells, Experience & Qualifications

Wells is founder and president of **Wells Gaming Research**, a Nevada Corporation that provides Casino Player Count Service™, a market share tracking service, to over 160 casino clients in Nevada, Mississippi, Louisiana, New Mexico, and California.

Wells Gaming Research also performs a wide range of consulting and gaming research assignments including casino market studies, financial feasibility studies, financial projections, due diligence, litigation support, legislative issue support, and gaming industry expert witness services for the gaming industry.



Wells has fifteen years experience as a senior executive in the casino-hotel industry with Holiday Inns, Harrah's, and Bally's. Wells has also held positions in management, planning, and financial analysis for a large regional bank and a major international oil company.

Wells has a B.S. degree in business from Oklahoma State University and completed a post-graduate program in Systems Dynamics at M.I.T. Wells has participated in a wide range of community service activities and is listed in Marquis Who's Who in Finance and Industry and Marquis Who's Who in America.